

**BEAUREGARD ASSOCIATION FOR
RETARDED CITIZENS, INC.
DERIDDER, LOUISIANA**

FINANCIAL REPORT
For the Year Ended June 30, 2000

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 01/17/01

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Beauregard Association for Retarded Citizens, Inc.
DeRidder, Louisiana

I have audited the accompanying statements of financial position, of the Beauregard Association for Retarded Citizens, Inc. (a nonprofit organization) at June 30, 2000 and the related statements of activities and the statements of cash flows for the years then ended. These financial statements are the responsibility of the Beauregard Association for Retarded Citizens, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Beauregard Association for Retarded Citizens, Inc. at June 30, 2000, and results of its operation for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated October 19, 2000, on my consideration of Beauregard Association for Retarded Citizens, Inc.'s internal control structure.

Gleen O. Everhart

October 19, 2000

BEAUREGARD ASSOCIATION FOR RETARDED CITIZENS, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2000

	2000
Current Assets	
Cash	\$ 61,221
Prepaid Expenses	1,200
Supplies - Car Show	1,284
Total Current Assets	63,705
Non-Current Assets	
Property, Plant, and Equipment (Net)	65,601
Total Non-Current Assets	65,601
Total Assets	\$ 129,306
Liabilities and Equity	
Current Liabilities	
Notes Payable	\$ 18,185
State Withholding Payable	70
Insurance Payable	166
Total Current Liabilities	18,421
Total Liabilities	18,421
Net Assets	
Unrestricted	110,885
Total Net Assets	110,885
Total Liabilities and Net Assets	\$ 129,306

The accompanying notes are an integral part of these statements.

BEAUREGARD ASSOCIATION FOR RETARDED CITIZENS, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2000

	2000
Revenues	
OCDD	\$ 160,343
Medicad Waivers	5,754
Fund Raising (Net of direct expenses \$3,262)	11,542
Public Support	12,381
Vocational	10,990
Total Revenue	201,010
Expenses	
Salaries and Related Benefits	110,767
Transportation/Travel	10,037
Rent	7,200
Depreciation	2,928
Insurance	12,192
Office Expense	7,623
Repairs and Maintenance	1,949
Utilities	4,047
Lease Payments	5,488
Audit Expense	1,400
Dues and License	2,916
Payroll Taxes	8,333
Contract Labor	9,873
Total Expenses	184,753
Increase (decrease) in Net Assets Before Other Income/Expense	16,257
Other Income/Expense	
Interest Income	619
Interest Expense	(1,920)
Increase (decrease) in Net Assets	14,956
Net Assets at Beginning of Year	95,929
Net Assets at End of Year	\$ 110,885

The accompanying notes are an integral part of these statements.

BEAUREGARD ASSOCIATION FOR RETARDED CITIZENS, INC.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2000

Cash Flows From Operating Activities	2000
Net increase in net assets	\$ 16,257
Adjustment to reconcile change in net assets to net cash used by operating activities	
Depreciation	2,928
Increase in prepaid expenses	(2,484)
Decrease in accrued liabilities	(1,520)
Net cash provided by operating activities	15,181
Cash Flows Form Investing Activities	
Purchase of fixed assets	(8,912)
Net cash used by investing activities	(8,912)
Cash Flows From Financing Activities	
Interest Income	619
Interest Expense	(1,919)
Net cash used by financing activities	(1,300)
Net Increase in Cash and Cash Equivalents	4,969
Cash and Cash Equivalents at Beginning of Year	56,252
Cash and Cash Equivalents at End of Year	\$ 61,221

The accompanying notes are an integral part of these statements.

Beauregard Association for Retarded Citizens, Inc.
DeRidder, Louisiana
Notes to Financial Statements
For the Years Ended June 30, 1998 and 1999

Note 1 - Summary of Significant Accounting Policies

Organization

The Beauregard Association for Retarded Citizens, Inc. is a nonprofit corporation incorporated under the Louisiana Non-Profit Corporation Act. The mission of the Beauregard Association for Retarded Citizens, Inc. (BAFRCI) is to provide the best possible care and service/training to those persons with mental retardation/developmental disabilities.

Financial Statement Presentation:

On June 30, 1993, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 117 with an effective date of December 15, 1994, however, earlier application was encouraged. These statements conform to the new FASB Statement.

In accordance with FASB Statement 116, contributions are to be recorded at the time the promise is made and the Beauregard Association for Retarded Citizens, Inc. complies with Statement 116. FASB Statement 117 changes the format for Financial statements for Non-Profit Corporations and these statements have been prepared to conform to the new FASB Statement 117.

Basis of Accounting

The records of the BAFRCI are maintained on the GAAP basis of accounting and the accompanying statements have been prepared on that basis.

Cash equivalents

The BAFRCI considers all highly liquid assets with a maturity of three months or less to be cash equivalents.

Note 2 - Commitments and Contingencies

The BAFRCI may be reimbursed for purchases of long lived assets, if the cost of such purchases are included in their annual budget and approved by the Louisiana Department of Health and Hospitals. Once the BAFRCI receives reimbursement for the purchase of long lived assets, the Louisiana Department of Health and Hospitals becomes the contingent owner of those assets. Should the BAFRCI cease operations, ownership of those assets will revert to the State of Louisiana.

Notes continued

Note 3 - Subsequent Events

None

Note 4 - Pension Plans

The BAFRCI employees participate in the FICA program.

Note 5 - Compensated Absences

The BAFRCI gives its employees vacation and sick leave, however, accrued amounts at June 30, 2000, if any, would be immaterial and not reported in these schedules.

Note 6 - Off-Balance Sheet Risk

The BAFRCI does not engage in off-balance sheet financing as defined in FASB Statement 105.

Note 7 - Bank Accounts

In accordance with FASB Statement 105, the BAFRCI maintains its funds in three bank accounts. These funds are secured by the Federal Deposit Insurance Corporation in the amount of \$100,000. The amount in their bank account does not exceed the insured amount.

Note 8 - Tax Exempt Status

The BAFRCI is a non-profit organization subject to tax in accordance with the Internal Revenue Service Code. In April 1999, the BAFRCI was recognized as organization that is exempt from income tax under IRC Section 501(c)(3).

Note 9 - Donated Materials and Services

The value of donated services have not been recorded in these statements in as much as no objective basis is available for the measurement of such services; however, a substantial number of volunteers have donated a significant amount of time to the accomplishment of the BAFRCI's mission.

Note 10 - Related Party Transactions

None.

Notes continued

Note 11 - Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 12 - Commitments - Operating Leases

During the year, Beauregard Association For Retarded Citizens, Inc. entered into an agreement with Green Chevrolet, Inc. to lease a new van. Annual payments are as follows:

<u>Year</u>	<u>Monthly Payment</u>	<u>Annual Expenditure</u>
2	\$ 617	\$ 7,404
Balloon Payment	<u>10,781</u>	<u>10,781</u>
Total Annual Expenditure		18,185
Less : amount representing interest		(<u>951</u>)
Net present value of lease		<u>\$17,234</u>

Note 13 - Fixed Assets

Land	\$ 30,800
Building	4,156
Equipment	9,308
Leasehold Improvements	5,412
Vehicles	<u>59,343</u>
Total	109,018
Less Accumulated Depreciation	(<u>43,416</u>)
Net	<u>\$ 65,601</u>

Note 14 - Fund raising

The BAFRCI conducts an annual Car/Truck Show as a fund raising event. This event is conducted in accordance with State Statutes governing such events and the proceeds are reported in these statements at their net realized amount.

Notes continued

During the year the BAFRCI co-sponsored a fund raising event with another local non-profit organization. The extent of BAFRCI's involvement in the event was to authorize the use of the association's name.

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**REPORT ON COMPLIANCE AND INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Beauregard Association for Retarded Citizens, Inc.
DeRidder, Louisiana

I have audited the accompanying financial statements, of Beauregard Association for Retarded Citizens, Inc. (a nonprofit organization) as of and for the year ended June 30, 2000, and have issued my report thereon dated October 19, 2000. I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Beauregard Association for Retarded Citizens, financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect of the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective on my audit, and accordingly, I do not express such an opinion. The results of my test disclosed no instances of noncompliance that are required to be reported under *Government auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Beauregard Association for Retarded Citizens, internal control over financial reporting in order to determine my auditing procedures for purposes

of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be a material weakness. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in the amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted a matter involving the internal control over financial reporting and its operation that I considered to be a material weakness.

Finding: Improper segregation of duties.

Cause: Beauregard Association for Retarded Citizens, Inc. has a very limited number of personnel; therefore, the duties cannot be segregated as required by sound internal control standards.

Management's response: It is not economically feasible to hire additional staff.

This report is intended for the information of the Board, management, and Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.



October 19, 2000

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2000

Board of Directors
Beauregard Association for Retarded Citizens, Inc.
DeRidder, Louisiana

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Reportable condition(s) identified not considered to be a material weakness?	None

Noncompliance material to financial statements noted?	No
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Federal awards

None

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None